

2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB75)

Received: **06/11/2009**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Olin (FA)**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Shared Revenue**

Extra Copies:

Submit via email: **NO**

Pre Topic:

LFB:.....Olin (FA) -

Topic:

Expenditure restraint program; police and fire expenditure adjustment

Instructions:

See attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|----------------------|------------------------|------------------------|----------------|------------------------|-----------------|-----------------|
| /P1 | jkreye 06/11/2009 | kfollett 06/11/2009 | rschluet 06/11/2009 | _____ | sbasford 06/11/2009 | | |
| | jkreye 06/11/2009 | kfollett 06/11/2009 | | _____ | | | |
| /P2 | | | rschluet 06/11/2009 | _____ | mbarman 06/11/2009 | | |

FE Sent For:

<END>

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1P2kf
6/11
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| /P1 | jkreye | 1 P/15f 6/11 |  | _____ _____ | | | |
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FE Sent For:

<END>

Kreye, Joseph

From: Olin, Rick
Sent: Thursday, June 11, 2009 10:20 AM
To: Kreye, Joseph
Subject: Expenditure Restraint Amendment Request

Attachments: 20090611012711289.pdf

Amendment to s. 79.05(2)(c):

If the amount of police and fire expenditures funded from a municipality's general fund balance is greater in the year of the statement under s. 79.015 than in the year before that year, provide an adjustment under the expenditure restraint program's budget test equal to the difference.



2009061101271128
9.pdf (61 KB)

Joe: Below is the trail that led us to the preceding request. My language in italics should reflect the ADC request in the PDF attachment. Let me know if you need any clarification. RO

From: Ammerman, Fred
Sent: Thursday, June 11, 2009 10:02 AM
To: Olin, Rick
Subject: RE: Expenditure Restraint Amendment Request

I think so. Shoot it to LRB

From: Olin, Rick
Sent: Thursday, June 11, 2009 9:52 AM
To: Ammerman, Fred
Subject: FW: Expenditure Restraint Amendment Request

She sort of said the same thing that I said; what do you think?

From: Lundquist, Lisa
Sent: Thursday, June 11, 2009 9:22 AM
To: Olin, Rick
Subject: RE: Expenditure Restraint Amendment Request

From what I understand, it's only if they use existing money- if for some reason a muni had some reserves and decided to spend more on police and fire that they would be exempt from ERP.

Does that help?

From: Olin, Rick
Sent: Thursday, June 11, 2009 8:59 AM
To: Lundquist, Lisa
Cc: Ammerman, Fred
Subject: Expenditure Restraint Amendment Request

<< File: 20090611012711289.pdf >>

Lisa:
I've attempted to create drafting instructions that reflect the intent of your motion, but conform to the "mechanics" of the expenditure restraint program. Are you comfortable with the following?

If the amount of police and fire expenditures funded from a municipality's general fund balance is greater in the current year than in the succeeding year, provide an adjustment under the expenditure restraint program's budget test equal to the

difference.

Rick Olin, Fiscal Analyst
Wisconsin Legislative Fiscal Bureau
(608) 266-3847

Assembly Democrats

2009-11 Budget Amendment Request

Date: June 5, 2009

Legislator: Molepske

Staff Contact: Lloyd

caucus discuss
Statement of Amendment Intent: Allow Municipalities to continue to qualify for the Expenditure Restraint Program (ERP) if they use existing monies in their fund balance to cover the expense of maintaining fire and police department staffing and services.

Agency: Shared Revenue

Summary: ASA1-AB 75 mandated that municipalities could not cut police or fire services to balance local budgets. ASA1-AB 75 did not allow for an increase in the ERP allowance and these two mandates will be cause many municipalities to make major job and program cuts in order to meet both requirements. Currently, use of existing monies in fund balances also work figure against ERP qualification.

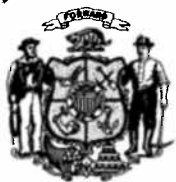
This motion would make using existing monies in fund balances to cover the increased costs of retaining current police and fire personnel and services allowable expenditures under the ERP program and not count against the ERP allowance. The amount of the increase must be the amount of funds necessary to cover the expense and no more.

Municipalities have been crunched down to bare minimums under this program as non-controllable costs have exceeded the allowance in the past few years. Many municipalities rely upon the ERP to allow them to provide basic services to their citizens; they should not be penalized for ensuring the safety and security of their citizens.

Fiscal Impact: Indeterminate

Funding Source (if applicable): N/A – funding level for the program is already determined based upon the last two years worth of data, this change would just prevent municipalities that currently rely upon this funding to retain their share.

*allows more local ~~gov't~~ gov's
to access funds in ERP*



LFB:.....Olin (FA) - Expenditure restraint program; police and fire expenditure adjustment

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2009 ASSEMBLY BILL 75

in 6-11-09

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 1047, line 16: after that line insert:

3 **"SECTION 1900e.** 79.05 (1) (bd) of the statutes is created to read:

4 79.05 (1) (bd) "Police and fire expenditure adjustment" means the amount of
5 police and fire expenditures funded from a municipality's general fund balance in the
6 year of the statement under s. 79.015[✓] that exceeds the amount of police and fire
7 expenditures funded from a municipality's general fund balance in the year before
8 the year of the statement under s. 79.015[✓]."

1 **2.** Page 1047, line 20: on lines 20 and 25, after “of” insert “any police and fire
2 expenditure adjustment.”

(END)

Kreye, Joseph

From: Olin, Rick
Sent: Thursday, June 11, 2009 3:33 PM
To: Kreye, Joseph
Cc: Ammerman, Fred
Subject: LRBb0963/1 Revision

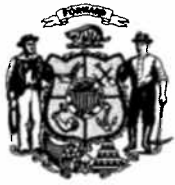
Hi Joe:

I don't think the slash 1 version works. Due to the way the budget test was originally constructed, this is a very difficult statute to amend. The language I suggested earlier is simply not compatible. Fred and I have discussed this, and we suggest a "fresh start." What do you think about creating a new paragraph (d) that would read:

The calculation under (c) shall not include any amount of police and fire expenditures funded from a municipality's general fund balance.

Let me know what you think.

Rick Olin, Fiscal Analyst
Wisconsin Legislative Fiscal Bureau
(608) 266-3847 (general)
(608) 267-7597 (direct)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBb0963/P1
JK:kjf:rs

RUR

LFB:.....Olin (FA) - Expenditure restraint program; police and fire
expenditure adjustment

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8 the year of the statement under s. 79.015."

1 **2.** Page 1047, line 20: on lines 20 and 25, after "of" insert "any police and fire
2 expenditure adjustment".

3

(END)

✓ line

Its

#. Page 1047, line 19: delete "its" and substitute

"Except ^{as} provided in sub. (2b), ^{its} its".

✓
#. Page 1048, line 4: after that line insert;

✓
"Section 1900i. vi, 79.05(2b)

79.05(2b) [Ⓢ] the calculation under sub. (2)(c) shall
not include [✓] any amount of police and fire expenditures
funded from a municipality's general fund balance."



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBb0963/P2
JK:kjf:rs

LFB:.....Olin (FA) - Expenditure restraint program; police and fire
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3 (2b), its".

4 **2.** Page 1048, line 4: after that line insert:

5 "SECTION 1900i. 79.05 (2b) of the statutes is created to read:

6 79.05 (2b) The calculation under sub. (2) (c) shall not include any amount of
7 police and fire expenditures funded from a municipality's general fund balance."

8 (END)